
NewLead fights on

Greek bulker owner NewLead Holdings is to sue a US fund for damages in a row over its shares after losing a court battle.



Investor Ironridge Global agreed to pay \$25m in cash and promissory notes for the preference shares in March.

It started arbitration in May after NewLead failed to honour conversions and pay dividends, prompting NewLead to try for an injunction to stop it acquiring more stock.

This bid was rejected by a US district court on Wednesday.

The Nasdaq-listed owner said on Thursday that Ironridge has told the company it wants to inject more cash into the company in return for shares,

but NewLead will not accept any further money because of what it claimed were breaches of the terms of the deal.

"Any funds received from Ironridge will either be held as security for NewLead's damage claims in the arbitration, or returned," it added.

CEO Michael Zolotas said the company would "vigorously defend our interests and pursue our claims for significant damages caused by Ironridge's many bad acts, breaches and misrepresentations.

"We remain concerned that Ironridge has been and will continue manipulating the stock of NewLead based on irregularities in Ironridge's disclosed and undisclosed brokerage relationships and have informed the relevant authorities of these concerns."

The US district court ruling found Ironridge's account statements showed no short sales of the stock.

Ironridge also showed that NewLead miscalculated when it found Ironridge exceeded a 10% cap on 16 April.

The ruling added: "NewLead's CFO conceded Ironridge could not be responsible for any decline in NewLead's stock price. NewLead's share price has declined precipitously over a period of years. Ironridge had nothing to do with any of those declines."